



**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097**

IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

Amendment No. 1 to Concession Agreement No. DOT-A-10-0008
Retail Concession at Hilo International Airport and
Kona International Airport at Keahole

HAWAII

PURPOSE:

To amend the existing retail concession at Hilo International Airport and Kona International Airport at Keahole, to allow for additional space to better serve the traveling public. Under Article III. (Premises) of the Concession Agreement, the specific area assigned or provided for the concession may be changed at the discretion of the Director of Transportation.

APPLICANT:

Tiare Enterprises, Inc., whose business address is P.O. Box 29638, Honolulu, Hawaii 96820.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.

LOCATION AND TAX MAP KEY:

Hilo International Airport, Island of Hawaii
Tax Map Key: 3rd Division, 2-1-12 (Portion)

ZONING:

State Land Use District:	Urban
County of Hawaii:	Industrial (ML20)

LAND TITLE STATUS:

Section 5(b) lands of the Hawaii Admissions Act: Ceded

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: Yes ___ No X

TERM:

To run for the balance of the term of the existing Concession Agreement of which expires on August 31, 2015.

PREMISES:

Hilo International Airport:

Existing spaces at commencement of the Concession Agreement:

1. Hilo Main Terminal Building 307, Space No. 138D, containing approximately 1,450 square feet, as shown on Exhibit B dated January 2010.
2. Hilo Main Terminal Building 306, Space No. 204, containing approximately 370 square feet as shown on Exhibit C dated January 2010.

WITHDRAWN SPACE: Hilo Main Terminal Building 306, Space No. 204 will be withdrawn and replaced by the additional space listed below in a new location.

ADDITIONAL SPACE: Hilo Departure Terminal Building 307, Space No. 171, containing approximately 80 square feet as shown on Exhibit C dated October 2010.

IMPROVEMENT:

Applicant will construct and install and cover all costs for improvements to Building 307, Space No. 171.

SPACE RENTS:

The CONCESSIONAIRE is required to pay monthly floor rent for its initial allocation of space premises, which is distinct and separate from its Annual Concession Fee. The space rent is based on square footage multiplied by the applicable rates and charges specified in the Agreement. Article VI.A.2.a. (Initial Allocation), has been amended to reflect the decrease in square footage space rent payable.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8(a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements because the proposed action falls within Exemption Class #1, Comprehensive Exemption List for the State of Hawaii, Department of Transportation, amended November 15, 2000, as reviewed and concurred in Docket 92-EX-01, by the Environmental Council. Exemption Class #1 covers the operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing.

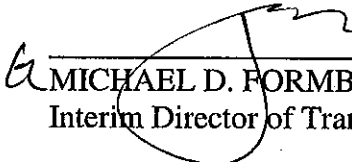
REMARKS:

The DOT and the Applicant entered into Concession Agreement No. DOT-A-10-0008 dated August 2, 2010, for the Retail Concession at Hilo International Airport and the Kona International Airport at Keahole. The Applicant finds that the smaller space in the Departure Terminal Building 307 adequately meets the needs of the CONCESSIONAIRE to services the traveling public.

RECOMMENDATION:


The Board authorize 1) the Department of Transportation to amend Article III. Premises of the subject Agreement as herein outlined, which are by reference incorporated herein; 2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and 3) review and approval by the Department of the Attorney General.

Respectfully submitted,

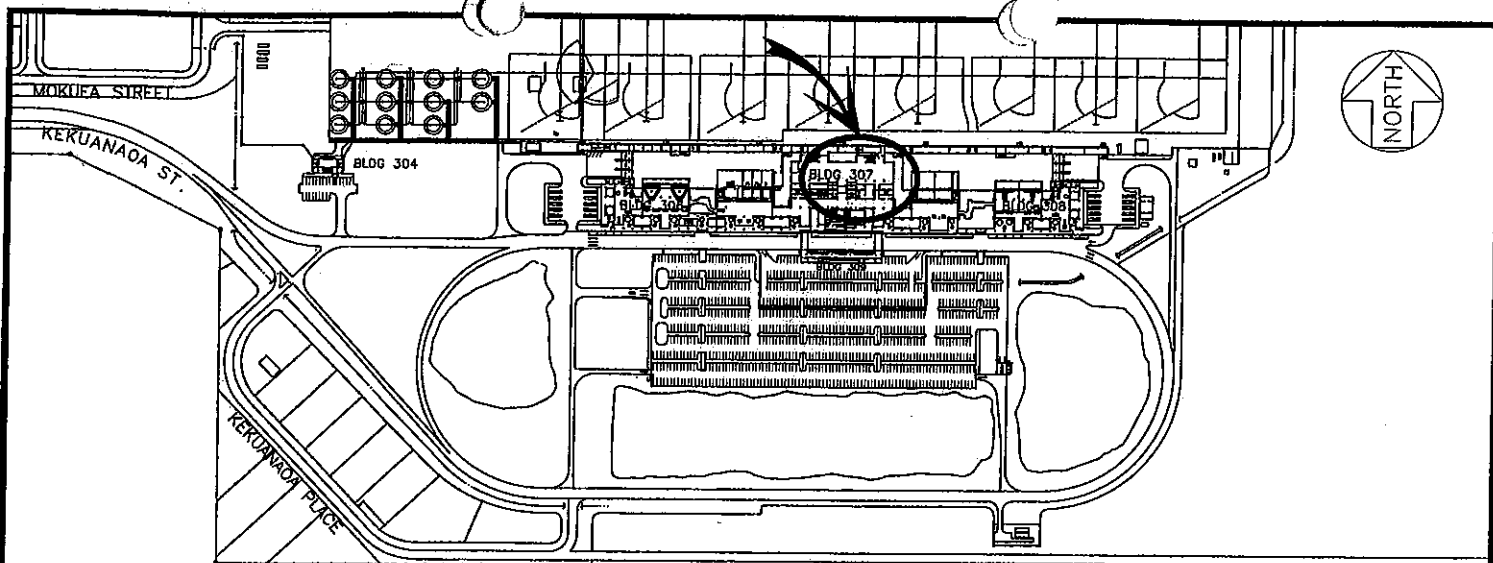


MICHAEL D. FORMBY
Interim Director of Transportation

APPROVED FOR SUBMITTAL:

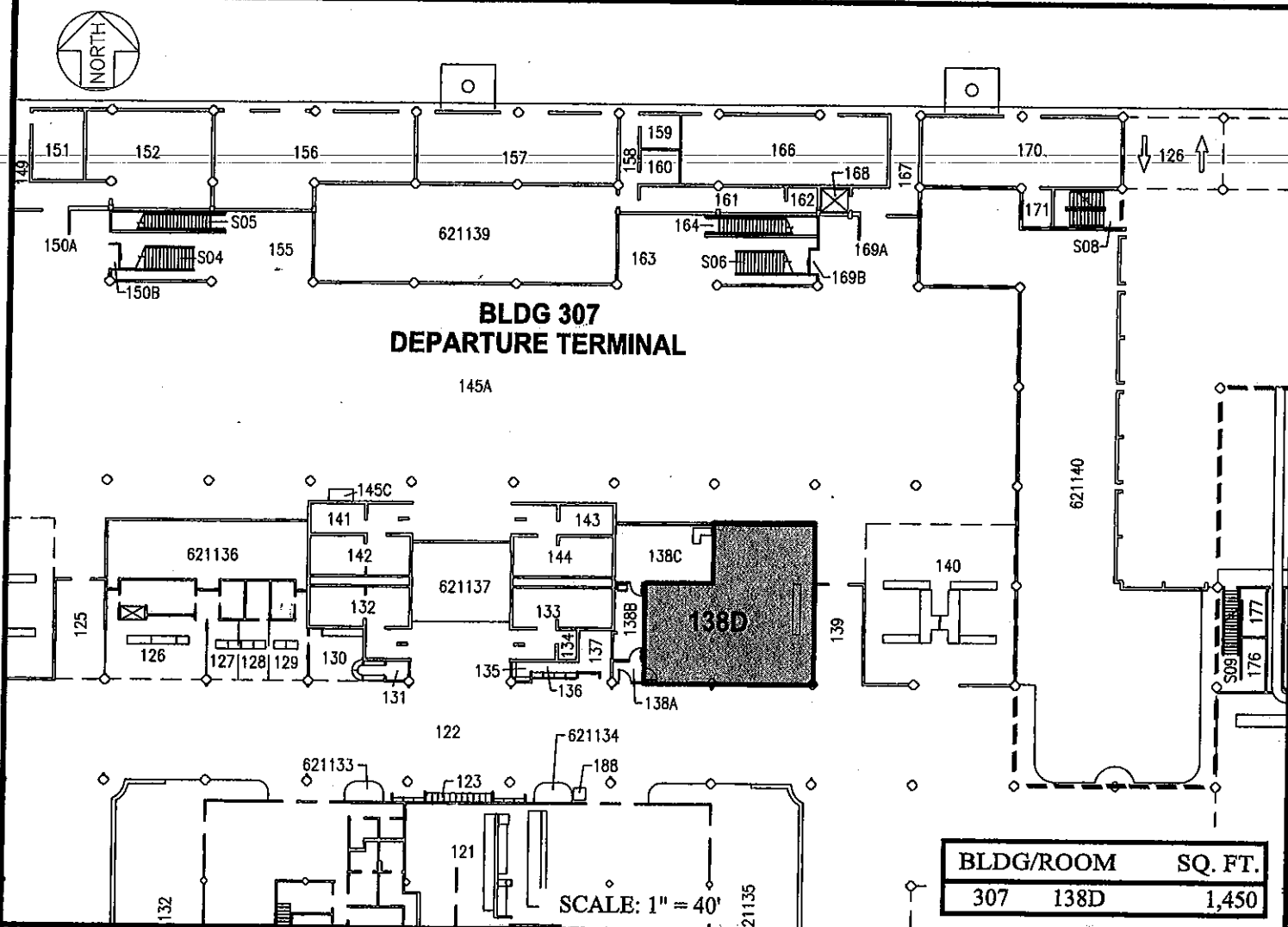


LAURA H. THIELEN
Chairperson and Member



LOCATION PLAN

500:1



LEASE NO. DOT-A-10-0008

DATE : JANUARY 2010

EXHIBIT: **B**



Airports Division

TIARE ENTERPRISES, INC.
RETAIL CONCESSION

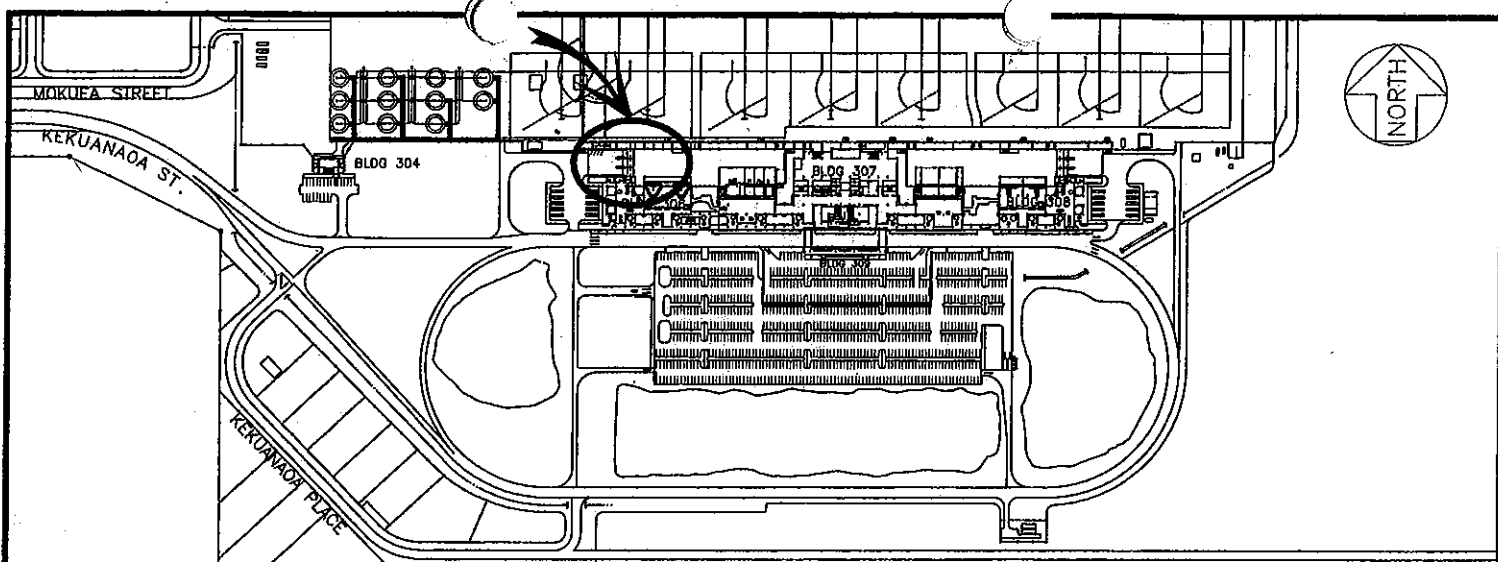
BUILDING 307
DEPARTURE TERMINAL
GROUND LEVEL

307138D

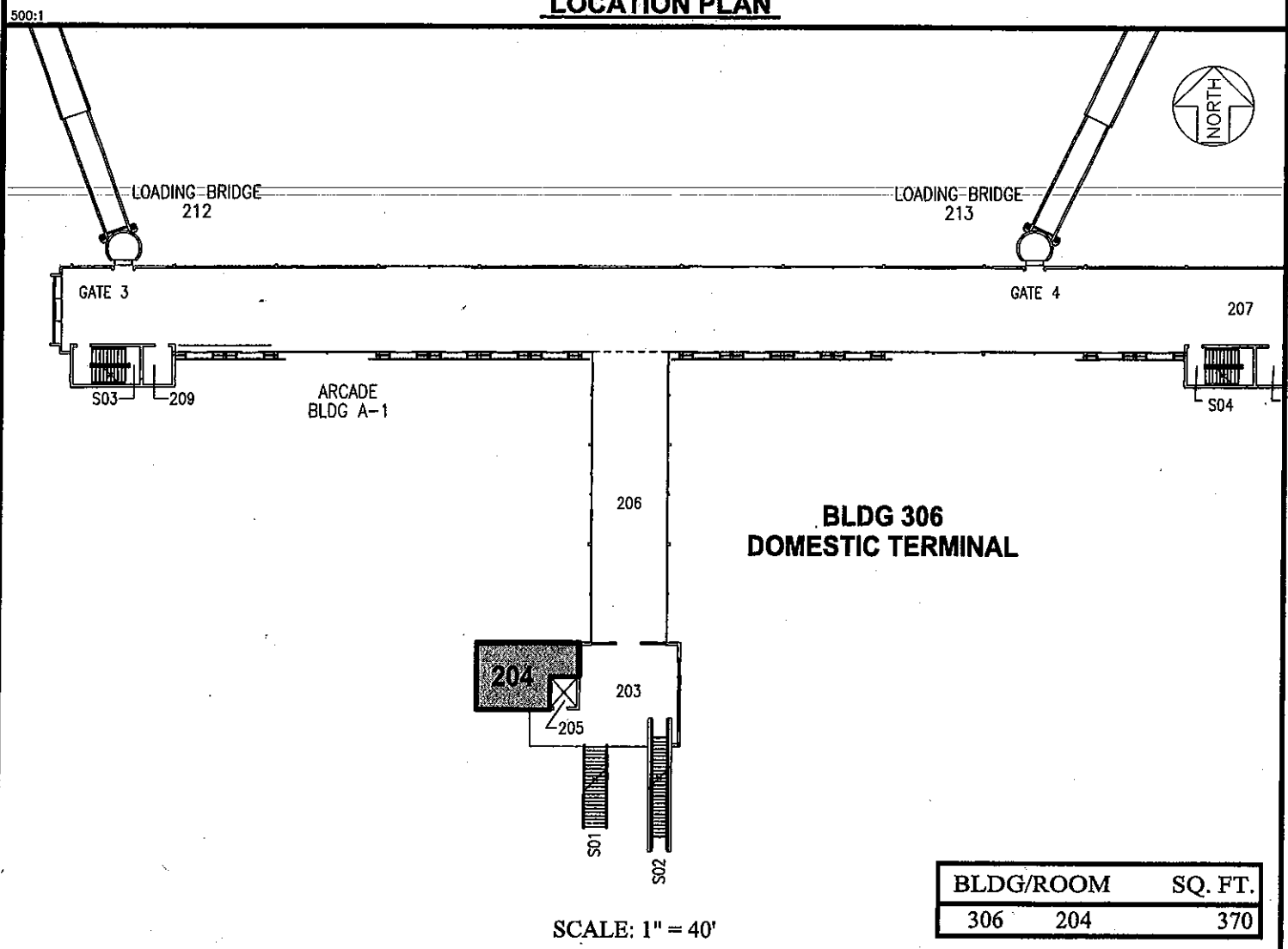
PLATS C1, 42

HILO INTERNATIONAL AIRPORT


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LOCATION PLAN



BLDG/ROOM	SQ. FT.
306 204	370

LEASE NO. DOT-A-10-0008		DATE : JANUARY 2010		EXHIBIT: C	
 <u>Airports Division</u>	TIARE ENTERPRISES, INC. RETAIL CONCESSION	BUILDING 306	306204		
		DOMESTIC TERMINAL SECOND LEVEL	PLATS C2, 42		

